

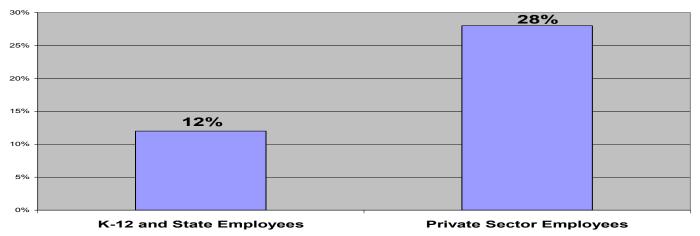
Budget Tidbits... just the facts

By Sen. Joe Zarelli, Ranking Republican Senate Ways & Means

K-12 and State Employee Health Benefits (1/18/05)

- A major budget driver is increased funding for employee health care benefits.
 - Employees currently pay 12 percent of the premium cost, while the state pays 88 percent.
 - Maintaining this policy will cost \$371 million more, due to health care inflation.¹
- Public employees' share is <u>less than half</u> what private sector employees pay.

Percentage of Health Care Premiums Borne by Employees



- * Source: K-12 and State Employees Ways & Means, Private Sector Employees Kaiser Family Foundation, 2004 annual survey (family coverage
 - Budgeting is about prioritizing and best utilizing taxpayers' dollars.
 - o Governor Locke chose to keep K-12 and state employees' premiums at 12 percent while <u>raising taxes on doctors</u> and <u>cutting nursing home funding</u>.

Bottom Line

State employee health care premiums are lower than in the private sector. Are raising taxes or cutting funds for the most vulnerable while maintaining twelve percent premiums the right priorities of government?

¹ Source: Ways & Means, 2005-07 Budget Outlook (11-23-04)